IMPLEMENTING POLICY CHANGE

Research Notes

A publication of USAID's Implementing Policy Change Project

No. 2 September 1993

COORDINATION ISSUES IN POLICY IMPLEMENTATION NETWORKS: Managing Madagascar's Environmental Action Plan

By Derick W. Brinkerhoff

For any development intervention larger than a (relatively modest) sectoral project, implementation inevitably brings together multiple agencies and groups that are intended to work in concert to achieve a set of objectives. Multi-agency coordinating arrangements are especially common in situations where developing countries are seeking to implement policy reforms. One way to think about these kinds of arrangements is in terms of a network that sets up linkages among an organizational "partnership," where tasks are distributed to the partnership's members in ways that establish varying degrees of interdependency among them (Hjern and Porter 1981). These interdependencies create requirements for coordinated action among network members in order to achieve policy objectives.

In Africa, the donor-supported policy frameworks developed for dealing with the natural resources and environment sectors, called National Environmental Action Plans (NEAPs), have established networks of agencies to implement the objectives of these plans (Talbot 1990). Helping these networks to operate effectively is a major challenge to NEAP implementation. This research note examines several issues related to characteristics of implementation networks and to coordination, and applies them to one of the countries with the longest implementation experience with a NEAP: Madagascar.1 The note concludes with some suggested recommendations for improving Madagascar's Environmental Action Plan (EAP).

Implementation Structures in Madagascar's EAP

The structure of Madagascar's EAP is a classic example of an interorganizational implementation network. The scope and breadth of the EAP calls for the creation of an implementation network that is larger and more complex than project or program structures. How to design and manage implementation networks is a key question for Madagascar's EAP, and for other African countries in the process of designing or implementing NEAPs.

Characteristics of Implementation Networks

One analytic approach to implementation networks sees them as combining elements of markets and hierarchies (bureaucracies) in ways that seek to take advantage of the efficiencies each mechanism possesses while minimizing their weaknesses (Gage

and Mandell 1990, Miller 1992). Like a market, networks allocate goods and services production to various autonomous and semi-autonomous entities according to their relative production capacities. In the EAP case, functions are distributed among public, private, and non-governmental organizations (NGOs), based on assessments of the strengths and weaknesses of those agencies. Structuring implementation by delegating functions to those best suited to carry them out uses the market rationale, which states that increased well-being results from individual actors pursuing what they do best within an operational framework. In a situation where the intent is to pursue some limited set of objectives, as in the case of the EAP, there is the possibility that the outcomes of each individual agency, acting on its own according to its preferences, will not lead to the achievement of the desired goals. This result will produce a kind of "market failure."2

Therefore, to avoid this possibility, implementation networks employ hierarchical structures containing interrelated subunits to establish overarching objectives, planning and resource utilization procedures, monitoring and evaluation systems, and coordination and oversight relationships, as in a bureaucracy. Introducing hierarchy into implementation seeks to take advantage of the ability of hierarchy to shape individual actors' preferences into patterns that are mutually consistent, something that the marketplace does not do efficiently (Miller 1992). The "price" of hierarchy, however, can be high due to: a) the inherent costs of developing and managing the mechanisms and procedures to shape subunit preferences and behaviors into desired directions; and b) the tendency of individual subunit's pursuit of their goals to subvert the network's primary objectives, resulting in the well-recognized phenomenon of "bureaucratic failure." The trick to making implementation networks function successfully is to achieve a balance between letting individual agencies operate independently as they see fit, and limiting their independence with supervision and control mechanisms.

Madagascar's EAP has assigned functions to a range of existing public sector agencies, and has created several new entities as well. The EAP "marketplace" contains a large number of actors: ANAE (National Association for Environmental Actions), ANGAP (National Association for the Management of Protected Areas), CE (Environmental Commissariat), CNRE (National Center for Environmental Research), CNRO (National Center for Oceanographic Research), COMODE (Malagascy Council of NGOs for Development and the Environment), COS (Steering Committee), DDRA (Department of Land and Agrarian Reform), DEF (Department of Water and Forests), FTM (National Cartographic Institute), GMU (Grants Management Unit), MARD (Ministry of Agriculture and Rural Development), ONE (National Office of the Environment), all the NGOs with contracts for specific projects, local communities and resources users in protected areas, plus the donor agencies. Each has a role to play in achieving the objectives of the EAP. Some of these roles are sanctioned through official mandates, and others are more informal (e.g., resource users' mandates are dictated by survival needs). Within the EAP marketplace, all of these agencies and groups are linked by a multiplicity of interconnecting relationships at a variety of levels, as each pursues its particular set of activities.

The EAP establishes an interlocking set of hierarchical relationships among these various actors that extends from the center with ONE, to the periphery with the ICDPs (Integrated Conservation and Development Projects). In between are a range of intra- and inter-agency structures intended to assure commonality and complementarity of action. Some of these structures involve direct hierarchical authority, e.g., ANGAP and the GMU have veto power over the grants to their NGO field operators. However, many of them involve various forms of coordination and collaboration, where operational responsibility extends far beyond individual agency authority.

Coordination Issues

Coordination is a term that is frequently called for as a solution to project and program implementation problems, and the EAP is no exception. However, it is rarely elaborated in an operationally meaningful way beyond a vague notion of some sort of programmatic linkage. One way to think about coordination is in terms of three types of activities: information sharing, resource sharing, and joint action (Honadle and Cooper 1989). Information sharing essentially involves communication, one agency or subunit letting another or others know what it is doing. This can be done through distributing written reports, holding meetings of various sorts, or setting up information units. Resource sharing means that resources controlled by

one organization are allocated to another for particular purposes. Examples here are loans, grants, contracts, and/or secondment of personnel. Joint action entails two or more entities collaboratively undertaking some activity together, either simultaneously or sequentially. Joint activities could include planning, data gathering, service delivery, monitoring, training, and/or supervision. Each of these types of coordination imply greater or lesser degrees of linkage among the organizations involved. All three of these types of activities are found in the EAP's implementation network. For coordination to be effective, it must deal with three interorganizational problems (see Brinkerhoff 1991):

- threats to autonomy,
- lack of task consensus, and
- conflicting requirements from vertical and horizontal linkages.

Each of these three problems appears in Madagascar's EAP implementation experience.

Threats to autonomy: A core dynamic in most organizations is to try to maintain as much independent control over inputs, outputs, and operations as possible. To the extent that coordination requirements impinge upon agency independence, an agency will be reluctant to coordinate. These threats are increased in situations where stakeholder interests are diverse, cooperating agency operational procedures are different, resources are scarce, and linkages among agencies are abundant and complex.

The EAP experience exhibits all of these features. Its implementation network creates numerous threats to autonomy among the actors involved. For example, conflicts between ANGAP and its field operators reflect varying views on the appropriate degree of autonomy of action.

Lack of task consensus: Task consensus means agreement on the client groups to be targeted, the actions to be undertaken, the services to be provided, the methodologies to be employed, and so on. Because many of the technologies for socio-economic development are only partially understood or are site-specific, lack of agreement on what to do, for whom, and how is highly likely. Without some minimum level of agreement, however, cooperation is difficult. In this area as well, diversity among stakeholder perceptions and interests, multiplicity of linkages, and scarcity of resources aggravate this coordination problem.

There is agreement on what the general tasks are within the EAP framework, a moderate degree of consensus on target groups and their needs, and high levels of debate over how best to carry out those tasks to achieve environmental policy objectives. A key example is the discussion among EAP partners about how to blend conservation-oriented efforts for the long-term with development interventions designed to deal with immediate economic survival needs. Much of what the EAP aims to accomplish is experimental, and thus one would not expect to find a high degree of task consensus at this point.

Another example is the task of coordination itself. ONE, ANGAP, ANAE, DEF, COMODE, and others are all charged with some form of coordination. Yet among these actors, there appears little consensus on what coordination means for them operationally. Particularly among the public sector actors, the tendency is to interpret coordination as close programmatic monitoring and control, a view not shared by the intended subjects of this scrutiny.

Conflicting vertical-horizontal requirements: Most members of implementation networks belong to more than a single system, and frequently coordination places the unit whose actions are to be coordinated in a situation where it is subject to conflicting demands. The most common conflict is between the requirements for participating in lateral coordinated action at the field level and in vertical sectoral hierarchies. Diversity of stakeholders contributes to vertical-horizontal strain; and the potential for this conflict is high where resources are scarce, because agencies have little slack available and the costs of coordination are rarely factored into operating budgets. Complex and diverse linkages also heighten the probability of conflict, because there are simply so many connecting threads that some degree of working at cross purposes becomes inevitable.

This coordination problem emerges in the EAP in several spheres. For example, ONE, as a unit of the MARD, occupies a department-level position in the public sector hierarchy, and yet its mandate calls for a significant cross-ministerial role. In the strongly vertical Malagasy public sector system, ONE's mandate immediately creates a multiplicity of “turf” issues. Similarly, although to a lesser degree,

ANGAP's vertical relationship with the DEF is on occasion at odds with the demands of its horizontal linkages with other EAP actors.

The number and variety of donor agencies supporting EAP implementation also contribute to vertical-horizontal conflict, because their programs and projects under the EAP normally call for procedures and practices on the part of implementing entities that are exceptions to standard procedures in those entities' "tutelle" (supervisory) hierarchies. In fact, a major source of pressure for coordination comes from the donors. This is a new behavior for most Malagasy entities, whose francophone tradition makes them much more attuned to superior-subordinate linkages that are spelled out in official decrees and laws than negotiated partnership arrangements that emerge from externally designed donor programs.

Recommendations for Improving EAP Network Functioning

The above discussion holds several implications for Madagascar's implementation of the EAP. These are presented as recommendations for enhancing the effectiveness of the EAP's implementation network.

- **Concentrate on Developing the "Rules of the**

Because the EAP is implemented through a network of organizations, no single actor is "in charge" of EAP implementation in the sense of being able to command compliance from other actors. Achievement of EAP objectives will come from the aggregate result of the various actors pursuing their subgoals, as in a market, assuming that appropriate implementation incentives can be created. Networks, like markets, only operate effectively when governed by an accepted set of rules. This suggests the need to focus on developing agreed-upon "rules of the game."

The types of rules that need specification and negotiation include determination of: who is eligible to make which decisions in which arenas; what actions are allowed, required, or proscribed; what procedures must be followed; what information must be provided, to whom, and when; what benefits and costs are to be assigned to agencies (or individuals) as a result of their actions; and how enforcement will be undertaken. In the EAP, many of these rules are already formally expressed in national legislation, administrative regulations, bilateral and multilateral program and project agreements, and donor agency procedures. However, rules (formal and informal) to govern the interactions among the various implementing partners in the EAP are the ones in need of elaboration and discussion. We should remember that rules are ineffectual unless the entities they affect know of their existence, expect that the rules will be used to monitor behaviors, and anticipate sanctions (formal and/or informal) to be applied for non-compliance.

- **Search for Win-Win Opportunities for Coordination**

The multiplicity of hierarchies involved in the EAP, those internal to the implementing agencies as well as the interagency ones created by the EAP, makes the shaping of consistent action on everyone's part extremely difficult because the three threats to coordination (threats to autonomy, lack of task consensus, and conflict between vertical and horizontal linkages) operate both internally among agency subunits and across agencies as well. The threat of bureaucratic gridlock is very real, but the temptation to pursue additional hierarchical authority to deal with the problem must be resisted. In highly complex and interdependent situations, management based on hierarchical monitoring and control often sets in motion a downward spiral of minimal compliance and declining performance. Coordination that relies heavily on formal mechanisms enforced by a central unit is rarely successful (Chisholm 1989). A search for a single EAP "steering wheel" is misguided in a situation where numerous actors can have an impact on the EAP's implementation path.

Even if ONE is eventually attached to the prime minister's office, or becomes part of an environmental ministry, it is unlikely that increased hierarchical authority, in and of itself, will give ONE the capacity to coordinate EAP implementing agencies. What such an attachment can provide, though, is a platform from which ONE could launch a credible campaign to develop mutually beneficial relationships among implementors, that is, where all parties feel that they gain something. This connects to the development of the "rules of the game" in that effective enforcement provisions should be based more on principles of joint benefits and value added than on negative sanctions and hierarchical policing.

- **Reduce Excessive Interdependencies**

Too high a degree of interdependence in the EAP implementation network risks hampering progress, because the closeness of the linkages restricts advancement to the pace of the weaker members of the network. In terms of operational capacity, the weak members of the EAP network are the public sector actors. The creation of ANGAP and ANAE and the use of NGO implementors at the field level reflect a recognition of this issue. However, some of these linkages remain extremely tight, for example, between ANGAP and DEF, or between ANGAP and its field operators. This suggests the need either to decouple, or more loosely couple, elements of the EAP from each other, despite the risks that this could introduce for targeting impacts. What this could mean is less frequent formal reporting or supervision, more operational autonomy once contracts and workplans are approved, more reliance on informal collaborative arrangements, and/or less information required for existing reporting frameworks. It could also mean less interlocking participation on multiple oversight committees, so as to increase the quality of participation. Looser linkages will have the benefit of reducing most of the threats to coordination as well, thereby increasing the likelihood of cooperation. This issue can be raised as part of the discussion of "rules of the

- **Shorten Planning Horizons**

From a managerial perspective, a basic rationale in combining market and hierarchical mechanisms in interorganizational implementation structures like the EAP is the added flexibility and responsive capacity that can emerge. However, bureaucratic requirements for excessively detailed and long-term action plans can undermine flexibility and responsiveness. Madagascar's operating environment is in flux, and the experimental nature of many of the EAP's field projects suggest that planning horizons for activities under the EAP should be shortened. This could strengthen flexibility and potential for adaptation to uncertain and changing conditions, and result in a better fit with the nature of the natural resources management task at the field level (Brinkerhoff and Ingle 1989). Further it could help deal with some of the threats to coordination. Actors would be more inclined to collaborate if they were not held to what many see as unrealistic planning timeframes. Planning in smaller increments could increase task consensus by making it easier to agree on what to do in the short term, subject to refinement based on the lessons of experience. The increased ability to finetune activities in the short-term should make achievement of the EAP's 15-20 year objectives more likely.

- **Remember the Lessons of the Past**

The EAP's implementation design is reminiscent of the earlier generation of donor-funded integrated rural development (IRD) projects of the 1970s and early 80s. We should be careful not to forget the lessons learned from the IRD experience (see Honadle and VanSant 1985). Administrative integration can be very costly in terms of time, personnel, and financial resources. For example, there is a risk that if the information and monitoring systems under development among the EAP implementors are integrated to the extent envisioned, the result will be an onerous level of information collection at the field level (with increasing resistance to using the systems over time), and information overload at the higher levels.

While concentrated authority can facilitate the efficient delivery of goods and services, it fails as a management solution to building institutional capacity in implementing agencies and transferring skills and technologies to field-level entities. Coordination works best when it combines formal procedures with supportive informal mechanisms (Honadle and Vansant 1985, Chisholm 1989).

- **Reduce Expectations for Immediate Performance Improvements**

Implementation networks are extremely complex structures to manage, and call for management, political, and interpersonal skills that can be difficult to find in any country. The EAP's performance targets are quite ambitious in light of this fact. Particularly in terms of interagency cooperation, it is still early to have high expectations, especially given the dramatic changes in the Malagasy political landscape. The implementing agents in the EAP have a relatively short history of working collaboratively and in a non-hierarchical mode. In fact, several key organizations have a short history of existence. Time is an important factor here; game theory suggests that when players do not have much experience with each other, cooperative strategies are less likely. As the number of games repeat, cooperation becomes a more viable (though not inevitable) option (Miller 1992). Despite the problems, there are many positive features of Madagascar's experience with the EAP, and it is likely that implementation performance will improve in future simply as a function of of members of the EAP network gaining more experience in working together.

Endnotes

1. The IPC Project conducted a case study of Madagascar's Environmental Action Plan for A.I.D.'s Africa Bureau, Office of Analysis, Research, and Technical Support. This study provides a history and analysis of the Madagascar EAP. See Brinkerhoff and Yeager (1993), see also Talbott (1993).

2. Another kind of market failure occurs when there are not enough entities with the right capacities in the marketplace to provide the goods and services required. For this reason, many policy reform projects include creating new institutions.

References

Brinkerhoff, Derick W. 1991. Improving Development Program Performance: Guidelines for Managers. Boulder, CO: Lynne Rienner Publishers.

Brinkerhoff, Derick W. and Marcus D. Ingle. 1989. "Between Blueprint and Process: a Structured Flexibility Approach to Development Management." Public Administration and Development, 9 (5): 487-503.

Brinkerhoff, Derick W. and Jo Anne Yeager. 1993. Madagascar's Environmental Action Plan: A Policy Implementation Perspective, Washington, DC: U.S. Agency for International Development, Implementing Policy Change Project, Summer.

Chisholm, Donald. 1989. Coordination without Hierarchy: Informal Structures in Multiorganizational Systems. Berkeley: University of California Press.

Gage, Robert W. and Myrna P. Mandell, eds. 1990. Strategies for Managing Intergovernmental Policies and Networks. New York: Praeger.

Hjern, Benny and David O. Porter. 1981. "Implementation Structures: A New Unit of Administrative Analysis." Organization Studies, 2 (3): 211-27.

Honadle, George and Lauren Cooper. 1989. "Beyond Coordination and Control: An Interorganizational Approach to Structural Adjustment, Service Delivery, and Natural Resource Management." World Development, 17 (10): 1531-41.

Honadle, George and Jerry VanSant. 1985. Implementation for Sustainability: Lessons from Integrated Rural Development. West Hartford, CT: Kumarian.

Miller, Gary J. 1992. Managerial Dilemmas: The Political Economy of Hierarchy. Cambridge: Cambridge University Press.

Talbot, Lee M. 1990. "Institutional Framework for the Development and Implementation of National Environmental Action Plans." In World Bank. National Environmental Action Plans in Africa. Washington, DC: Author, Proceedings from a Workshop organized by the Government of Ireland, the Environmental Institute, University College, Dublin, and the World Bank. Dublin, Ireland, December 12-14, pp. 49-53.

Talbott, Kirk. 1993. "Elusive Success. Institutional Priorities and the Role of Coordination: A Case Study of the Madagascar National Environmental Action Plan." Washington, DC: World Resources Institute, Issues in Development Series, May.

.

IPC *Working papers* is a publication of the U.S. Agency for International Development (USAID) Implementing Policy Change Project (#936-5470, Contract #AEP-5470-I-00-5034-00), which is managed by the Agency's Global Bureau, Center for Democracy and Governance. The Center for Democracy and Governance is USAID's focal point for democracy and governance programming. The Center's role is to provide USAID and other development practitioners with the technical and intellectual expertise needed to support democratic development. It provides this expertise in the following areas:

- Rule of Law
- Elections and Political Processes
- Civil Society
- Governance

The Center publishes a number of technical documents designed to indicate best practices, lessons learned, and guidelines for practitioner consideration. They are also intended to stimulate debate and discussion. For further information regarding these Center-specific publications, please contact the Center's Information Unit at (202) 661-5847.

The IPC project's contract team consists of Management Systems International (prime contractor); Abt Associates Inc.; and Development Alternatives. The IPC Project Office is located at MSI, 600 Water Street, S.W., Washington, D.C., 20024. Telephone: (202) 484-7170; Fax: (202) 488-0754.